



**STATE BOARD OF EQUALIZATION**

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Executive Secretary

No. 84/26

March 2, 1984

TO COUNTY ASSESSORS:

SUMMARY OF PROPOSED LEGISLATION NUMBER 2

Following are brief summaries of legislation introduced or amended in the 1983-84 Regular Session of the Legislature. These measures relate to the Revenue and Taxation Code or otherwise to the assessing function.

AB 3

Author: Assembly Member Bates

Action: Amended in Assembly

Date: January 26, 1984

Affected Code Sections: Amends Sections 17041 and 17054 of, and adds Part 21 to, the Revenue and Taxation Code. Urgency statute.

As amended, this oil severance tax bill now includes changes to existing Personal Income Tax Law. The amendments to the severance tax provisions of the bill include:

- (1) Making the operative date January 1, 1985;
- (2) Depositing revenues from the severance tax in the General Fund.

AB 2345

Author: Assembly Member Hannigan

Action: Amended in Assembly

Date: February 13, 1984

Affected Code Sections: Various sections of the Health and Safety and Revenue and Taxation Codes. Urgency statute.

As amended, this bill would modify the supplemental assessment statutes in the following main areas:

- (1) It would require the State Board to adopt rules and regulations defining the date of completion of new construction for purposes of making supplemental assessments of new construction.

March 2, 1984

- (2) It would provide that no supplemental assessments could be deemed to be escape assessments.
- (3) It would require that supplemental tax revenues generated by events occurring on or before May 31 of years 1984 and 1985, but not collected until after the end of fiscal years 1983-84 and 1984-85, respectively, be allocated to school districts as if they had been collected during the respective fiscal year.
- (4) It would provide that failure to receive notice of supplemental assessment does not invalidate the assessment.
- (5) It would require that all supplemental assessments be billed in two installments.
- (6) It would include fixtures as property subject to supplemental assessments.

This bill would now also change property tax law in these two areas:

- (1) It would make the exemption of certain aircraft displayed in public museums effective for the 1979-80 fiscal year and each year thereafter, provided an exemption claim is filed on or before March 1, 1985.
- (2) It would require refunds of property taxes paid to be made with interest without the filing of a claim, in cases where the refund is ordered by a court and the taxes were illegally assessed or erroneously or illegally collected.

AB 2433

Author: Assembly Member Klehs

Action: Introduced in Assembly

Date: January 23, 1984

Affected Code Sections: Amends many sections of the Government and Revenue and Taxation Codes.

This bill would change many technical aspects of the statutes relating to change in ownership, penalties, change in ownership reporting, welfare exemption, and other areas. Primary among these changes are the following:

- (1) It would eliminate the exclusion from change in ownership currently extended to correcting or reforming transfers made between persons whose original relationship has not changed.

March 2, 1984

- (2) It would permit claimants for the welfare exemption, in lieu of recording the instrument creating the claimant's taxable possessory interest in publicly owned land, or recording his interest in water rights or his ownership of foreign improvements, to simply file with the assessor the document or written statement evidencing the property interest.
- (3) It would add, to the required penalty notice appearing on the official change in ownership statement, the statement that the law requires the filing of a change in ownership statement by a legal entity whenever the State Board asks for it in writing, regardless of whether a change in control has actually occurred.

AB 2520

Author: Assembly Member Hannigan

Action: Introduced in Assembly

Date: January 26, 1984

Affected Code Sections: Amends Section 3365 of the Revenue and Taxation Code.

This bill would require the tax collector, before tax-sold property is deeded to the state, to provide written notice of the pending deed to any interested parties, as well as to the last assessee of the property.

AB 2599

Author: Assembly Member Costa

Action: Introduced in Assembly

Date: February 1, 1984

Affected Code Section: Amends Section 402.2 of the Revenue and Taxation Code.

This bill would allow any person whose taxable property is temporarily dedicated for a public use under an agreement with a local agency to ask the county assessor to reassess his property in light of that dedication.

ACA 28

Author: Assembly Member Elder

Action: Amended in Senate

Date: January 24, 1984

Affected Section: Amends Article XIII A, Section 2(a) of the Constitution.

This amendment would allow the Legislature to exclude from change in ownership and new construction the acquisition or construction of a principal place of residence by any person over age 55 as a replacement for a comparable dwelling which was eligible for the homeowner's exemption. The replacement property must be acquired or built within one year after the sale of the original property and must be located within the same county.

March 2, 1984

ACA 53

Author: Assembly Member Johnson

Action: Introduced in Assembly

Date: January 12, 1984

Affected Constitutional Sections: Amends Section 1, 2, 3 and 6 of, adds Section 4.5 to, and repeals and adds Sections 4 and 5 to Article XIII A.

This amendment would limit, to 1 percent of full cash value, and other taxes, besides ad valorem taxes, which are based on the ownership of real property. It would also provide more restrictive definitions of "assessment," "fee," "bonded indebtedness," "appraisal value," "new construction," "consumer price index," and "change in ownership," as these terms are applied to the assessment limitations of Article XIII A.

ACA 55

Author: Assembly Member Cortese

Action: Introduced in Assembly

Date: January 24, 1984

Affected Constitutional Sections: Amends Article XIII A, Section 1 (b).

This amendment would allow the voters, by a two-thirds approval, to authorize new bonded indebtedness above and beyond that existing or approved on July 1, 1978. This indebtedness could thus exceed the limitation originally imposed by Article XIII A.

SB 1300

Author: Senator Marks

Action: Amended in Senate

Date: January 25, 1984

Affected Code Sections: In pertinent part, amends Sections 75.70 and 75.71 of the Revenue and Taxation Code. Urgency statute.

This public finance bill would, among other things, amend the supplemental assessment statutes by requiring that supplemental assessment revenues be allocated entirely to school districts within each county for fiscal year 1983-84 only, and thereafter be allocated as are all other property tax revenues. (Current law requires allocation to school districts for fiscal years 1983-84 and 1984-85.)

March 2, 1984

SB 1314

Author: Senator Johnson

Action: Amended in Senate

Date: February 7, 1984

Affected Code Sections: Adds Section 2188.10 to the Revenue and Taxation Code.

As amended, this bill would require a separate assessment and set a limit of \$15 on the fee the assessor could charge for making a separate assessment of an undivided interest in real property.

SB 1455

Author: Senator Marks

Action: Introduced in Senate

Date: January 24, 1984

Affected Code Sections: Adds Section 51222 and 66474.4 to the Government Code.

This bill would, until January 1, 1991, forbid a city or county to approve a tentative parcel map if the land involved is subject to a Williamson Act Contract and the resulting subdivided parcels would be too small for agricultural use.

Copies of each of these measures are enclosed for your information.

Sincerely,



Verne Walton, Chief  
Assessment Standards Division

VW:wpc  
Enclosures  
AH-14-1814/D-2